

# INFORMATION LETTER

## NATIONAL CANNERS ASSOCIATION

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For Members  
Only

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### Preparing Board Program

The program for the meeting of the Board of Directors of the National Canners Association, called by President Fred A. Stare for November 19-20 at Hotel Shoreham, Washington, is in preparation and will be announced as soon as details are completed. The general plan is to cover industry subjects on Monday, November 19, including the legislative and labeling programs, can sizes, the Department of Agriculture's postwar program and OPA pricing policies. Tuesday, November 20 will be a business session of the Board, devoted to Association matters.

Preceding the Board meetings will be sessions of various N.C.A. Committees, at Association headquarters, to take up matters that will come before the Board, and the Administrative Council and Planning Committee will hold meetings on November 18.

President Truman's wage-price order does not greatly liberalize wage increases in the canning industry, because in order to raise wages most canners would have to raise price ceilings. This would necessitate approval of the Stabilization Administrator in most cases and the Price Administrator in all cases. (See story on page 8830.)

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WPB is expected to issue an amendment to the Tin Conservation Order, M-81, sometime during the coming week. The order probably will increase tin quotas for several items. WPB also promises to announce its fourth quarter tin allocation report within a few days. This report will give the latest data on tin supplies and requirements.

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The House on Tuesday and the Senate on Thursday accepted the conferees report on the tax reduction bill which cuts approximately \$5,900,000,000 from Federal tax revenue during 1946. (See pages 8828-29 for an analysis of the bill.)

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### Labeling Program Endorsed

Endorsements by major food distributor associations of the labeling terminology recommended for voluntary use by the Association's Labeling Committee, will be an important impetus to the development of better labels for canned and glassed foods in the interest of the consumer.

The Executive Committees of National-American Wholesale Grocers' Association, National Food Brokers Association, the Board of Governors of the United States Wholesale Grocers' Association, and the Executive Board of the National Association of Retail Grocers, have each recently passed resolutions approving this terminology.

In addition to the action of these four associations, members of the Executive Committee of the National Association of Food Chains, without specific endorsement of any method of labeling, have expressed the opinion "that the program sponsored by the National Canners Association, in cooperation with representative distributors, to develop uniform terminology for the labeling of canned fruits and vegetables, is a move in the right direction."

Endorsements by these associations mark a long step forward in cooperative effort to improve labels, it is believed by E. B. Cosgrove, chairman of the Labeling Committee. They came as a result of conferences between representatives of the distributor organizations and the Association in recent months. The last of these conferences was devoted entirely to technical discussion of labeling terms and standards. The work of the N.C.A.'s commodity committees was reviewed and current labeling projects thoroughly discussed. The recommendations and suggestions of the distributors, stimulated by these meetings, have been transmitted to the canners' commodity committees on labeling. The net result is a simple but effective working arrangement which provides opportunity for the judgment and experience of many of the important elements of the trade, producer and distributor, to be effectively merged in the development of a sound labeling program. Heretofore, the labeling terminology offered for uniform but voluntary label use has been the recommendations of the Labeling Committee of the N.C.A. The labeling terminology now is offered under the additional sponsorship of the various types of distributors.

The resolution of the Executive Board of the Retailers Association reads, in part:

"The Board went on record favoring descriptive labeling. They further endorsed the specific use of the recommended standard

terms of description as outlined by the National Canners Association and approved by the other food trade associations participating in the program."

A portion of the resolution of the National-American Wholesale Grocers' Association's Executive Committee is as follows:

"We, the members of the Executive Committee, urge upon all members the adoption of plain and conspicuous labeling of all canned food containers with appropriate and accurate descriptive information.

"We join with National Canners Association and other organizations in the food field in recommending descriptive labeling of canned food products along the lines set forth in the 'Manual for Canned Food Labels,' and the supplement to such manual dated October 1, 1942."

The following is taken from the resolutions of the Board of Governors of the United States Wholesale Grocers' Association:

"That the United States Wholesale Grocers' Association for the purpose of making descriptive labeling effective, endorse the program developed by the National Canners Association and recommend the use on canned food labels of labeling terms published in that Association's Labeling Manual as well as other terms which may hereafter be recommended by their Labeling Committee."

Major responsibility for developing the labeling program will continue to rest with the Association. The N. C. A. Laboratory is continuing the essential scientific determinations on which objective measurements to support the label terms are based.

Final selection of recommended label terms will be the judicial responsibility of the Labeling Committee and its commodity committees, but these decisions will be made only after fully and completely weighing the advice and recommendations of the Distributors' Committee.

The canners' and the distributors' committees will have the benefit of consumer research conducted by the Home Makers Guild of America in the selection of label terms which are most meaningful and most readily understood by the consumer purchaser.

Current labeling projects for this year include careful review of the labeling of corn, green and wax beans, peas, and tomatoes. They also include extensive laboratory research and review of labeling possibilities on peaches and apricots as well as some other fruits.

It is anticipated that the results of this year's studies and deliberations will be made available about January 1, 1946, in time for canners and distributors, who wish to do so, to incor-

porate the labeling recommendations in their orders for next season's labels.

This labeling program is directed toward the development of voluntary but systematic labeling to provide practical and understandable information for consumers. As better labeling is developed and applied to canned and glassed food products, it will benefit consumer purchasers and for that reason benefit both branches of the industry, producers, and distributors.

#### Labeling Bulletins Distributed

During the past week two bulletins on labeling have been mailed to all canners by the Association's Labeling Division. These bulletins are "How to Use the N. C. A. Labeling Manual" and "Label Arrangement."

These bulletins have also been extensively circulated among distributors by the National-American Wholesale Grocers Association, the U. S. Wholesale Grocers' Association and the National Food Brokers' Association.

In addition, the National Association of Label Manufacturers have distributed these two bulletins to all label salesmen.

#### Special Commodities Director

Appointment of H. C. Albin as director of the Special Commodities Branch of the Production and Marketing Administration, effective November 1, was announced this week by Administrator J. B. Hutson. Mr. Albin succeeds Maurice L. Brenner who has resigned to return to his business on the West Coast.

Milton Briggs will serve as assistant director of the Special Commodities Branch. He and Mr. Albin have both served as assistant directors with Mr. Brenner. The administrative duties of the two assistant directorships are now combined under Mr. Briggs.

Richard W. Maycock, assistant PMA administrator for finance and administrative control, also has resigned as of November 1 to accept a position in the private industry in New York City. For the time being, his administrative responsibilities will be assigned to other PMA officials.

#### Campbell on Michigan Program

Association Secretary Carlos Campbell will speak on the program of the Michigan Canners Association, holding its annual convention November 5 and 6 at the Pantlind Hotel, Grand Rapids. Mr. Campbell will discuss the effect of President Truman's new executive order covering wage-price policies.

#### Forthcoming Meetings

November 5-6—Michigan Canners Association, Annual Fall Meeting, Pantlind Hotel, Grand Rapids.

November 7-9—Grocery Manufacturers of America, Annual Meeting, Waldorf-Astoria Hotel, New York.

November 8-10—Label Manufacturers National Association, Annual Meeting, Edgewater Beach Hotel, Chicago.

November 12-13—Wisconsin Canners Association, Annual Meeting, Schroeder Hotel, Milwaukee.

November 15—National Pickle Packers Association, Bismarck Hotel, Chicago.

November 15-16—N. C. A. Canned Fish and Sea Food Committee, meeting, Association Headquarters, Washington, D. C.

November 15-16—Indiana Canners Association, Annual Convention, Claypool Hotel, Indianapolis.

November 16—Ozark Canners Association, Inc., Fall Meeting, Colonial Hotel, Springfield, Mo.

November 18—Administrative Council and Planning Committee of the National Canners Association, Hotel Shoreham, Washington, D. C.

November 19-20—Board of Directors, National Canners Association, Hotel Shoreham, Washington, D. C.

November 29-30—Pennsylvania Canners Association, Annual Convention, Yorktowne Hotel, York.

December 6-7—Iowa-Nebraska Canners Association, 44th Annual Convention, Hotel Fort Des Moines, Des Moines, Iowa.

December 7-8—Tri-State Packers' Association, Annual Convention, Lord Baltimore Hotel, Baltimore, Md.

December 10—Maine Canners Association, Annual Meeting, Eastland Hotel, Portland.

December 13—Minnesota Canners Association, Annual Meeting, St. Paul Hotel, St. Paul.

December 13-14—Association of New York State Canners, Inc., 60th Annual Meeting, Hotel Statler, Buffalo.

December 19-20—Ohio Canners Association, Annual Meeting, Deshler-Wallace Hotel, Columbus.

February 3-8—National Canners Association, Annual Convention, Atlantic City, N. J., hotel to be announced.

February 3-8—National Food Brokers Association, Annual Convention, Atlantic City, N. J., hotel to be announced.

February 3-8—Canning Machinery & Supplies Association, Annual Convention, Atlantic City, N. J., hotel to be announced.

February 3-8—National American Wholesale Grocers Association, Annual Convention, Atlantic City, N. J., hotel to be announced.

## WPB to Transfer Many Controls Affecting Agriculture to CPA

A considerable number of controls affecting processors and distributors of agricultural commodities and textiles will be transferred at the end of this week from the expiring War Production Board to the new Civilian Production Administration. No relaxation in these controls is expected because of the expiration of the WPB. The controls will be lifted, officials declare, only as individual circumstances in each segment of industry warrant.

Among the limitation orders ("L" series) affecting the agricultural industries which are still in effect this week, as the WPB closes its books, are:

L-63, establishing procedure for suppliers of commercial refrigerating equipment and goods; L-103, restricting production and simplifying designs of glass containers and closures; and L-103-b, restricting production and sale of new glass container and tinplate closures.

Among the conservation orders ("M" series) affecting these industries, which still remain in effect, are:

M-81, controlling manufacture, sale, and inventories of cans; and M-241, restricting production of paper and paperboard.

### Cumming Heads Curtice Bros.

Howard T. Cumming has been elected president of Curtice Bros. Co., effective Dec. 1. He succeeds D. C. Townsend, who becomes chairman of the board.

An active participant in the affairs of the National Canners Association, Mr. Cumming is a member of the Association's Administrative Council and the Planning Committee, and also has served on numerous N.C.A. and Government committees. He was chairman of the Corn Section in 1941, the Simplification of Containers Committee in 1942 and 1943, the Committee on Planning for 1944 Production, and last year was chairman of the N.C.A. Planning Committee. Mr. Cumming will carry with him in his new position the best wishes of his many friends in the canning industry.

Other Curtice Bros. Co. officers are W. S. Macklem, vice president in charge of production; F. J. Miller, vice president and sales manager, and Gilbert D. Ide, treasurer.

### Wolf Resigns NFBA Post

William F. Wolf, secretary of the National Food Brokers' Association, has resigned to become head of a New York firm specializing in the manage-

ment of sales for food and grocery store products moving through brokerage channels. He also will act as consultant for manufacturers and advertising agencies on selling and merchandising problems.

Mr. Wolf has been secretary of NFBA for three years, during all the time since the organization moved its offices to Washington, D. C. He has been instrumental in developing better relationships with processors and sponsored the current move for organization of commodity sections within NFBA.

Formerly a newspaperman, wholesaler and department store sales manager, Mr. Wolf entered the grocery specialties field with Swift & Co., in Chicago, leaving that post to become sales manager for Jergens-Woodbury in Cincinnati. Later he did merchandising for Batten, Barton, Durstine & Osborne, Inc., in New York. He helped organize the War Production Board's field services immediately after Pearl Harbor, going from WPB to the NFBA secretaryship.

### Increase in Carloadings

Estimated carloadings of canned goods, including canned food products, catsup, jams, jellies, pickles, preserves, etc., during the fourth quarter of 1945 are 111,780 cars, as compared with actual loadings of 106,057 cars in the corresponding quarter of 1944, according to figures compiled by the Regional Shippers' Advisory Boards.

Loadings of citrus fruits are estimated at 25.1 percent greater in the fourth quarter of 1945 than in the same quarter of 1944. The loadings of fresh vegetables other than potatoes are expected to show an increase of 3.6 percent.

### 1946 Farm Product Outlook

Demand for farm products is likely to be maintained at a high level in 1946, but prices and incomes to farmers are expected to be somewhat below the high levels of 1945, the U. S. Bureau of Agricultural Economics reported this week. The prices of farm products in 1945 will apparently average about double the 1910-14 average and also nearly double the prewar 1935-39 average.

With normal conditions for production in the United States, prospects are for a reduction in cash receipts from marketings, in 1946, but probably not more than about 10 to 15 percent. Since the prices of some nonfarm products may advance, prices farmers pay probably will not decline as much as the prices they receive for their products.

## Canned Seafood Production Totals 655 Million Pounds

The total volume of canned fish and shellfish produced in 1944 by 325 canneries located in the United States and Alaska amounted to 655 million pounds, valued at \$152,311,184, according to an annual summary just published by the Fish and Wildlife Service of the Department of the Interior. Of this total, canned salmon accounted for 247 million pounds, valued at \$56,383,276; and canned sardines, 221 million pounds, valued at \$28,754,400.

Breakdown of these totals into standard cases is presented in tables from the report on pages 8826 and 8827. The tables present a record of production of canned fishery products from 1921 to 1944 by cases and value, product and geographical area.

The same type of information is furnished covering production of fishery by-products, and exports of both canned fishery products and by-products for 1941 to 1944, also are presented.

### Farm Product Prices Up 2 Points

Substantial gains in prices received by farmers for truck crops, grains, and cotton were primarily responsible for a 2 point upturn in the general level of prices received by farmers to 100 percent of its August 1900-July 1914 average in mid-October, the U. S. Department of Agriculture reported this week. A 2 point upturn during the month ended October 15 placed the index 5 points over a year ago.

October parity prices reached another new 25-year high as prices paid by farmers for commodities, interest and taxes advanced 1 point for the second consecutive month. At 175 in October, the parity index was 5 points up from October, 1944. Prices received by farmers averaged 114 percent of parity compared with 113 in September and 114 a year ago.

### California Fish Group Officers

New officers elected by the California Fish Canners Association, Inc., at its recent annual meeting are: President, Gilbert C. Van Camp, Van Camp Sea Food Company, Terminal Island; vice-president, J. R. Biven, Coast Fishing Company, Terminal Island; executive vice-president and general manager, R. H. Beaton, Terminal Island (re-elected); secretary-treasurer, Charles A. Winkler, Terminal Island (re-elected).

## CANNED FISH AND BYPRODUCTS—1944, WITH COMPARISONS

(From Annual Summary by U. S. Fish and Wildlife Service)

PACK OF CANNED FISHERY PRODUCTS, 1921 TO 1944 IN STANDARD CASES

Year	Salmon								Sardines			
	Pacific Coast States		Alaska		Total		Maine, Massachusetts, and New Hampshire		California and Oregon			
	Cases	Value	Cases	Value	Cases	Value	Cases	Value	Cases	Value	Cases	Value
1921-25 <sup>1</sup> ...	1,134,146	\$11,000,592	4,377,306	\$29,457,922	5,501,932	\$40,518,514	1,063,448	\$5,781,523	1,059,249	\$4,425,400		
1926-30 <sup>1</sup> ...	1,171,523	12,772,400	5,342,310	38,329,082	6,518,833	51,101,572	1,092,087	6,281,996	2,847,700	9,494,787		
1931-35 <sup>1</sup> ...	984,706	7,301,890	5,699,775	28,513,777	6,084,481	35,815,667	1,042,116	2,974,505	1,719,387	4,519,462		
1936...	527,574	5,309,438	8,437,603	44,751,633	8,965,177	50,061,071	1,845,860	5,740,454	2,616,530	7,302,273		
1937...	885,373	8,386,165	6,669,605	44,547,765	7,555,037	52,933,934	1,080,341	4,988,373	2,812,456	8,592,117		
1938...	472,721	5,728,802	6,806,998	36,636,897	7,279,719	42,365,780	671,635	2,367,045	2,281,678	7,102,358		
1939...	728,943	7,339,727	5,203,161	34,441,122	5,962,104	41,780,849	2,210,466	7,075,006	3,108,082	9,553,663		
1940...	535,063	6,576,176	5,069,343	31,474,492	5,605,006	38,049,668	1,117,748	3,736,394	2,945,582	8,975,237		
1941...	899,580	11,199,317	6,932,040	56,217,601	7,831,029	67,416,918	3,131,276	12,475,991	5,007,154	18,091,873		
1942...	759,032	13,673,968	5,075,974	48,300,208	5,835,006	61,974,177	2,720,128	11,001,081	3,744,624	15,509,064		
1943...	275,580	5,110,847	5,428,318	57,824,267	5,704,207	62,935,114	2,353,273	10,986,471	3,354,697	14,319,877		
1944...	245,588	5,187,136	4,863,059	51,196,140	5,138,647	56,383,270	2,019,500	18,528,541	3,599,690	15,225,919		

Year	Tuna and tunalike fishes		Mackerel		Alewives		Oysters <sup>2</sup>		Shrimp <sup>2</sup>		Clam products	
	Cases	Value	Cases	Value	Cases	Value	Cases	Value	Cases	Value	Cases	Value
1921-25 <sup>1</sup> ...	738,839	\$5,751,385	(*)	229,293	\$979,927	40,697	150,140	303,750	2,344,887	668,298	5,022,925	5,542,612
1926-30 <sup>1</sup> ...	1,367,657	8,900,774	229,293	2,079,927	40,697	264,602	1,392,086	753,724	3,836,331	5,21,573	2,242,860	2,517,544
1931-35 <sup>1</sup> ...	1,668,811	8,464,033	806,664	2,117,791	20,095	48,402	2,180,860	742,915	4,672,198	754,334	2,076,297	
1936...	2,680,734	14,715,391	1,236,850	3,542,895	24,140	58,527	352,117	1,041,178	7,130,747	773,448	3,013,446	
1937...	3,144,501	18,095,779	840,832	2,673,608	54,993	139,585	472,161	2,932,681	1,041,178	7,130,747	773,448	3,013,446
1938...	2,754,143	15,183,636	965,629	2,866,220	52,886	149,558	321,306	1,886,476	873,862	4,872,393	769,665	3,189,638
1939...	3,642,951	20,079,567	889,380	2,588,005	22,882	74,804	403,151	2,378,945	995,686	5,397,662	935,147	3,798,319
1940...	4,188,461	23,727,560	1,421,984	4,101,369	24,486	72,070	429,268	2,536,850	805,420	927,628	3,118,325	3,778,363
1941...	2,931,581	19,397,887	935,001	3,503,718	42,156	153,269	408,419	2,907,114	638,245	4,882,544	927,845	3,711,029
1942...	2,484,749	30,742,493	721,189	3,663,082	77,232	309,555	325,200	3,598,703	902,367	7,347,330	782,002	3,701,058
1943...	2,696,073	31,430,189	937,251	5,271,203	112,472	619,213	215,207	2,821,556	471,930	5,300,647	404,794	2,802,420
1944...	3,560,020	40,836,117	1,225,060	7,035,997	185,998	793,284	170,213	2,283,429	401,178	4,854,799	547,096	3,820,612

Year	Miscellaneous fishery products								Grand total			
	Crabs		Fish roe, caviar, and eggs		Other fish		Other shellfish, etc.					
	Cases	Value	Cases	Value	Cases	Value	Cases	Value				
1921-25 <sup>1</sup> ...	(*)	\$71,087	(*)	28,740	\$820,057	282,904	\$2,008,576	11,770	\$153,714	363,414	2,553,228	\$0,474,509
1926-30 <sup>1</sup> ...	1,435	36,729	28,740	2,079,927	282,904	\$2,008,576	11,770	\$153,714	363,414	2,553,228	\$0,474,509	
1931-35 <sup>1</sup> ...	6,774	109,255	48,284	814,960	349,186	1,080,190	27,382	205,405	424,852	2,600,654	\$4,303,662	
1936...	7,300	130,753	50,040	1,028,293	406,641	1,833,338	53,225	321,805	520,906	3,183,526	\$4,564,264	
1937...	13,697	209,000	69,074	996,169	544,722	2,182,097	45,502	316,100	676,248	3,494,966	105,174,935	
1938...	13,690	200,134	61,337	780,441	580,611	2,140,856	33,993	251,355	775,941	3,178,652	\$3,445,880	
1939...	16,414	239,736	64,448	957,875	729,758	2,318,049	43,677	364,270	837,883	3,640,194	96,627,550	
1940...	19,370	308,890	61,852	891,814	906,791	3,296,076	53,739	396,306	1,024,382	4,587,186	94,181,941	
1941...	30,099	347,617	76,740	815,514	1,207,977	3,329,560	36,914	361,123	1,321,631	5,506,197	138,684,157	
1942...	57,274	1,755,065	53,190	910,800	404,947	3,335,147	15,628	247,502	473,765	4,493,530	144,996,947	
1943...	37,654	1,194,483	39,884	1,044,582	151,851	1,480,538	150,880	1,190,717	368,615	3,715,137	141,156,310	
1944...	43,471	1,361,458	55,677	824,197	391,488	4,043,076	180,080	1,322,500	633,195	6,189,782	152,311,184	

## PRODUCTION OF FISHERY BYPRODUCTS, 1921 TO 1944

Year	Menhaden dried scrap and meal		Menhaden acidulated scrap		Herring meal		Pitchard meal		Tuna and mackerel meal		Other meal, dried and green scrap	
	Tons	Value	Tons	Value	Tons	Value	Tons	Value	Tons	Value	Tons	Value
1921-25 <sup>1</sup> ...	40,061	\$1,718,325	36,273	\$824,913	(*)	(*)	22,726	\$1,341,001	3,047	\$151,334	37,324	1,845,332
1926-30 <sup>1</sup> ...	28,157	1,456,025	26,476	532,774	(*)	(*)	22,726	\$1,341,001	3,047	\$151,334	37,324	1,845,332
1931-35 <sup>1</sup> ...	31,488	935,645	15,407	257,799	12,034	\$303,085	55,494	1,648,972	8,550	\$226,263	23,421	827,215
1936...	42,411	1,411,710	23,482	359,615	16,780	593,357	121,730	3,008,305	11,847	359,400	27,519	1,004,002
1937...	35,801	1,581,219	31,000	618,104	20,460	680,382	89,422	3,325,282	13,066	456,358	29,503	904,190
1938...	30,274	1,376,620	21,814	418,936	17,747	502,588	86,927	3,487,392	11,224	409,211	25,230	982,016
1939...	52,950	3,224,920	15,853	265,850	18,223	763,419	96,947	4,103,638	12,084	464,578	30,046	1,271,192
1940...	56,249	2,423,229	15,520	21,533	9,210	380,134	69,975	3,007,705	14,955	610,007	27,330	1,141,213
1941...	75,316	4,006,355	11,029	242,792	12,520	847,116	97,979	5,942,272	8,693	484,886	31,307	1,570,152
1942...	50,504	3,362,279	2,594	80,520	5,591	386,059	71,828	5,310,037	7,144	465,481	33,419	2,021,383
1943...	66,357	4,766,672	1,555	58,821	9,170	690,280	75,611	5,775,932	7,766	505,190	29,944	1,832,248
1944...	69,170	4,913,224	3,922	111,104	14,212	1,044,861	86,196	6,582,600	9,648	644,458	30,990	1,946,775

Year	Menhaden oil		Herring oil		Pilchard oil		Tuna and mackerel oil		Whale and sperm oil	
	Gallons	Value	Gallons	Value	Gallons	Value	Gallons	Value	Gallons	Value
1921-25	6,157,906	\$2,551,947	1,055,031	\$435,280	1,404,968	\$650,238	(*)	\$13,933	1,358,222	\$644,731
1926-30	3,560,862	1,386,356	3,071,841	1,162,152	4,186,789	1,662,636	45,354	1,448,914	712,358	
1931-35	3,200,351	582,152	3,118,230	562,980	12,457,870	2,835,510	182,452	38,512	775,424	178,453
1936	4,880,879	1,249,708	3,796,586	954,706	26,131,430	8,330,079	357,914	98,221	4,154,966	1,707,561
1937	3,895,613	1,456,333	5,623,045	2,114,548	15,903,216	6,203,516	222,774	61,514	9,236,280	4,170,001
1938	4,189,129	1,173,667	4,579,565	1,298,837	17,539,567	5,205,337	278,879	81,532	7,741,000	3,184,056
1939	6,005,414	1,624,024	4,847,512	1,157,418	19,906,422	6,078,317	310,661	92,906	3,550,230	1,132,871
1940	5,774,671	1,304,720	2,241,100	606,722	12,626,840	3,761,160	447,326	123,801	2,561,518	952,164
1941	6,034,050	2,829,441	3,041,315	1,663,545	18,125,147	9,879,220	250,517	100,048	34,056	15,907
1942	5,128,760	3,200,129	985,403	646,565	12,508,056	8,067,750	214,932	112,042	47,247	31,733
1943	5,734,668	3,862,142	1,727,441	1,129,446	13,947,295	9,301,563	219,044	131,906	37,964	30,406
1944	6,067,111	3,725,498	2,389,287	1,003,078	18,098,982	11,722,950	317,236	177,774	7,185	5,135

Year	Liver oils <sup>10</sup>		Other marine-animal oils		Oyster and marine clam-shell products		Fresh-water mussel-shell products	Marine pearl-shell products	Other byproducts	Grand total
	Gallons	Value	Gallons	Value	Tons	Value	Value	Value	Value	Value
1921-25	(*)	(*)	398,258	\$164,914	296,297	\$2,358,259	(*)	\$4,544,147	3679,783	\$11,457,200
1926-30	(*)	(*)	520,325	279,328	321,320	2,533,277	** \$5,575,967	1,323,429	24,440,049	
1931-35	* 109,419	* \$912,476	265,480	114,243	314,802	1,006,063	4,210,128	3,491,872	1,165,471	19,721,516
1936	351,400	2,806,655	228,536	85,634	383,703	1,578,108	4,710,200	4,265,986	1,389,766	34,968,984
1937	347,921	2,304,097	325,811	145,643	382,718	1,612,847	4,791,205	5,079,895	1,398,811	36,804,045
1938	506,203	2,476,343	305,792	106,241	339,425	1,410,537	2,698,879	4,197,503	1,319,250	30,576,367
1939	677,975	4,471,688	363,809	139,845	396,005	1,539,557	2,492,342	4,827,413	1,388,636	34,028,814
1940	700,621	5,088,153	373,384	188,458	395,088	1,479,847	2,480,438	5,399,720	1,326,254	30,554,258
1941	1,233,242	14,871,588	565,298	334,395	438,407	1,985,283	3,037,350	6,236,714	2,851,970	56,801,074
1942	1,000,912	10,034,907	692,892	486,476	466,037	2,582,261	5,064,271	5,528,421	3,516,548	50,896,862
1943	851,854	14,841,970	597,950	485,301	509,285	2,820,986	3,782,028	4,606,593	4,394,653	59,136,266
1944	998,802	13,237,435	444,372	536,911	582,215	3,154,666	4,428,903	4,134,738	5,348,413	63,298,533

EXPORTS OF CANNED FISHERY PRODUCTS AND BYPRODUCTS, 1941 TO 1944 <sup>11</sup>

Item	1941		1942		1943		1944	
	Pounds	Value	Pounds	Value	Pounds	Value	Pounds	Value
Fish, canned:								
Salmon.....	48,054,200	\$6,304,521	39,994,293	\$7,312,404	69,485,629	\$18,013,616	50,155,621	\$21,061,360
Sardines (including pilchards).....	133,067,944	12,011,315	112,883,820	16,800,099	137,080,747	20,093,447	48,291,665	7,232,767
Cod, haddock, hake, etc.....	(*)	(*)	(*)	(*)	629,148	71,934	97,575	29,981
Herring.....	(*)	(*)	(*)	(*)	2,450,579	439,504	741,538	100,130
Other.....	17,671,607	1,359,860	8,031,974	2,368,683	24,503,961	3,486,207	1,932,201	378,932
Total.....	198,793,751	10,675,066	100,900,087	26,488,086	234,150,064	42,104,768	101,218,690	28,833,170
Shellfish, canned:								
Shrimp.....	670,634	140,810	436,394	187,152	907,693	409,347	2,341,791	1,331,857
Lobster.....	(*)	(*)	(*)	(*)	10,827	10,204	15,069	22,000
Crabs and crabmeat.....	(*)	(*)	(*)	(*)	10,567	7,943	4,267	4,253
Clams and oysters.....	(*)	(*)	(*)	(*)	22,700	9,552	19,368	11,062
Other.....	1,094,601	194,087	356,137	130,148	607,728	98,535	4,385,398	574,727
Total.....	1,765,235	334,897	772,531	317,300	1,739,524	625,581	6,766,693	1,944,000
Marine-animal oils:								
Fish oils.....			8,164,119	653,433	12,743,488	1,086,630	9,093,429	754,980
Fish oils, etc., and concentrate.....	3,600,550	341,224	1,541,329	2,945,700	1,367,618	2,756,555	1,741,907	2,315,233
Whale and sperm oil.....			221,300	20,640	13,452,346	950,008	1,133,924	93,996
Total.....	3,600,550	341,224	9,926,757	3,619,773	27,563,452	4,793,262	11,969,260	3,104,200
Fish meal for feed, tons:	300	17,784	98	4,290	2	180	5	675
Oyster shells, tons:	17,163	150,366	20,569	192,550	22,112	209,325	34,206	387,974
Mother of pearl shells, pounds:					12,388	2,626	16	16
Shells, unmanufactured, pounds:					646,013	28,756	798,480	42,585
Buttons of pearl or shell, gross:			460,964	117,373	704,205	202,291	406,784	150,907
Sponges.....				74,654	52,030	52,030		91,708
Grand total.....		20,519,967		30,814,234		48,018,819		34,605,244

<sup>1</sup> Average. <sup>2</sup> "Standard cases" of oysters represent cases of 48 No. 1 cans containing 7½ ounces of oyster meat. <sup>3</sup> "Standard cases" of shrimp represent cases of 48 No. 1 cans containing 7-ounces net for the wet pack and 6½ ounces for the dry pack. <sup>4</sup> Comparable data not available. <sup>5</sup> Represents four year average, 1927 to 1930 inclusive. <sup>6</sup> Represents five year average, 1926 to 1930 inclusive. <sup>7</sup> Included with other meal, dried scrap, and crude or green scrap. <sup>8</sup> Comparable data not available. <sup>9</sup> Represents average for 1932 to 1935, inclusive, since data for 1931 are not available. <sup>10</sup> Represents value of mussel-shell and pearl-shell products not included. <sup>11</sup> Represents average for 1929 and 1930 since data for earlier years are not available. <sup>12</sup> Represents value of production for 1930 only, since data for earlier years are not available. <sup>13</sup> These statistics furnished by the Bureau of Census, Department of Commerce. <sup>14</sup> Included with "Other."

## CONGRESS APPROVAL GIVEN TO BILL WHICH WILL CUT ALMOST \$5,900,000,000 FROM FEDERAL TAXES IN 1946

### Canners to Benefit from Measure Which Is First Tax Reduction to Be Passed in 15 Years

Late this week Congress passed and sent to President Truman the first tax reduction bill in more than 15 years. An estimated \$5,900,000,000 cut in Federal taxes will result in 1946 from this measure, which completely repeals corporate excess profits taxes, reduces corporate income surtaxes, and reduces individual income taxes to the point where approximately 12 million individuals now paying taxes will be relieved from any income tax liability. In addition, the existing corporate capital stock tax is repealed, as is the corollary corporate declared value excess profits tax; and the social security taxes are frozen at 1 per cent for an additional year. Lastly, the new bill provides specific tax relief for veterans, and leaves existing excise taxes unchanged.

When approved, the new measure will be known as the Revenue Act of 1945. In common with all tax legislation, its detailed provisions are highly technical. The following summary of the principal changes made by the new law cannot therefore represent an exhaustive treatment. Specific application of the new statute to the situation of particular companies will necessitate careful consideration by those responsible for tax matters.

#### Corporate Taxes

The principal change in the corporate tax structure is the repeal of the corporate excess profits tax for all taxable years beginning after December 31, 1945. The House had proposed merely the reduction in the excess profits tax rate to 60 per cent for the calendar year 1946, and a repeal at the end of 1946. However, Senate action provided for an immediate repeal at the end of 1945, and this was acquiesced in by the House.

One of the provisions of the existing excess profits tax, which had been included in the law largely as the result of Association representations, permits a taxpayer, who in 1946 would not earn profits up to the amount of his excess profits credit, to carry back to 1944 and 1945 the amount of any unused credit so as to permit an adjustment in his excess profits tax payments for 1944 and 1945. Even though the excess profits tax is completely repealed for taxable years beginning after December 31, 1945, the bill provides that this carry-back of unused excess profits credit may still be made in 1946. There

is, however, to be no carry-back of unused excess profits credits from taxable years beginning after December 31, 1946. The effect of this provision, which was inserted by the Senate, is to afford to taxpayers who paid substantial excess profits taxes in 1944 and 1945, additional protection against operating losses during 1946 to the extent of any unused portion of the former excess profits credit. It was recognized during the course of Congressional consideration that additional retroactive legislation might later be necessary to prevent abuse of this relief provision.

Additional technical provisions concerning claims for refund and assessment of tax deficiencies have been made to conform to the repeal of the excess profits tax. As part of these changes, the specific excess profits tax exemption, which was raised to \$25,000 by the Tax Adjustment Act of 1945, was restored to the original amount of \$10,000. Thus, for any taxable year beginning prior to December 31, 1945, the specific excess profits tax exemption will be only \$10,000.

The normal corporate income tax rate of 24 per cent is left unchanged, but corporate surtax rates have been reduced. In the case of corporations with surtax net incomes of less than \$25,000, the surtax rate has been reduced from 10 per cent to 6 per cent. In the case of corporations having surtax net incomes between \$25,000 and \$50,000, the former tax of \$2500 plus 22 per cent on amounts over the \$25,000 minimum has been decreased to \$1500 plus 22 per cent on all amounts over the \$25,000 minimum. For corporations having surtax net incomes over \$50,000, the rate has been reduced from 16 per cent to 14 per cent. These companies thus have an effective tax rate of approximately 38 per cent at the highest.

These provisions reducing corporate surtaxes reflect a compromise between a House proposal for an equal surtax reduction of 4 per cent for all corporations in each bracket, and a Senate proposal to give surtax relief only to companies having surtax net incomes of less than \$60,000.

All of these corporate surtax rate changes will be effective for taxable years beginning after December 31, 1945. Existing operating loss carry-back provisions have been left unchanged.

#### Fiscal Year Taxpayers

Reductions in corporate tax rates inevitably raise questions as to the tax treatment of corporations whose fiscal

taxable years do not coincide with the calendar year. In the new tax law elaborate provisions concerning corporate surtaxes and excess profits taxes are made for such taxpayers. (No change is made in normal corporate tax rates and no prorating of such taxes is required.) Canners whose fiscal year will end after December 31, 1945, will compute their corporate surtaxes in two steps. First, the company will compute a "tentative tax" for its entire fiscal year on the basis of the present tax law, just as though no reductions had been made. Next, the company will determine the percentage of the fiscal year falling in the period up to and including December 31, 1945. This percentage will be applied to the "tentative tax" to obtain the amount of the corporate surtax payable at the old rates.

The second step will be to compute corporate surtaxes for the entire fiscal year at the rates to be in effect after December 31, 1945, and to apply to this determination the percentage which the portion of the fiscal year coming after December 31, 1945, is of the entire fiscal year. The result will be the amount of tax under the new rates, and the total corporate surtax will be the sum of the two computations.

For example, a canning company which operates on a fiscal year ending June 30, 1946, will first determine what its taxes would have been for that entire 12-month period at the old rates. Since six months of its fiscal year fall in the period up to and including December 31, 1945, it will take one-half of this first result. The company will then compute its taxes for the entire fiscal year under the new rates and will take one-half of this result. The final prorated corporate surtaxes for the entire fiscal year will be the sum of the two computations.

A similar method is provided for computing the excess profits tax for that portion of any fiscal year which occurs before January 1, 1946. In this instance, however, only one step will be required. The excess profits tax will be computed for the entire period at the existing rates, and the proportion which the period prior to December 31, 1945, bears to the entire fiscal year will be applied to determine the proportionate amount of excess profits tax.

It is thus apparent that for corporate taxpayers whose fiscal year bridges January 1, 1946, it will be immaterial what portion of their income for the entire year is derived from operations occurring before or after that date. This is because their corporate income for the entire 12-month period is used as the basis for the computation of the tax. Necessarily, income earned after

the close of the fiscal year ending in any month after January 1, 1946, will fall into the succeeding fiscal year and be taxable at the new rates.

#### Capital Stock Tax

The existing capital stock tax is repealed for all taxable years ending after June 30, 1945. This tax, which has been levied on a June 30 to June 30 basis, requires every corporation to declare the value of its capital stock as of the end of the taxable year which ended prior to June 30. If the declared value turns out to be too low, a corollary declared value excess profits tax is levied at the end of the taxable year following any June 30. For this reason, the new bill provides that the capital stock tax is repealed for all taxable years ending after June 30, 1945, and the declared value excess profits tax is repealed for all taxable years ending after June 30, 1946.

#### Individual Taxes

The new law also makes reductions in individual income taxes which are fairly substantial in the lower brackets and somewhat less in the higher brackets. At the present time, all individual taxpayers pay a normal tax of 3 per cent on their net taxable incomes and graduated surtaxes on their surtax net income. In determining taxable net income for normal taxes, only a single \$500 personal exemption is allowed. For surtax purposes, however, the personal exemption of \$500 and a like exemption for the taxpayer's wife or husband and for each dependent is allowed.

The new law reduces individual income taxes in three ways. It makes all of the exemptions allowed for surtax purposes applicable to the computation of normal taxes. It reduces each surtax bracket by deducting three percentage points from the percentage now specified. It reduces the entire amount of the tax, computed with the extended exemptions and on the revised rates, by a further 5 per cent. In other words, after having computed his normal tax on the basis of the increased exemptions and his surtax according to the reduced surtax rates, an individual taxpayer will be entitled to reduce the final result by 5 per cent, thus paying only 95 per cent of the tax which would otherwise be due.

The effect of the first change is to eliminate Federal income taxes on somewhat over the first \$2,000 of income of any taxpayer having a wife and two children. It is estimated that this change will result in approximately 12 million persons being wholly relieved from Federal income tax liability. The House had proposed generally an over-

all reduction of at least 10 per cent in taxes on all individuals. The Senate proposal, now incorporated into the law, grants greater relief to lower income taxpayers and less relief to higher income taxpayers.

Changes are provided in the various tables for simplified tax payments for individuals with incomes under \$5,000, and for withholding tax purposes. Although the new provisions will mean that many individuals will no longer be subject to withholding taxes, the bill provides that employers must in most cases continue to furnish the withholding statement (Form W-2) to all employees whose salary is larger than one withholding exemption, even though in such case the employer would deduct no taxes. The reason for this is that the statement of withholding is used as a simple tax return form by millions of taxpayers. To assist the small taxpayer in making his tax returns the employer is, therefore, required to continue to furnish this withholding statement to an employee who has to make a tax return but who had no tax withheld from his wages.

Where an individual taxpayer operates on a fiscal year different from the calendar year, the same prorating method used for corporations is to be applied by him.

#### Excise Taxes

The bill makes no changes in the present wartime excise taxes enacted by the Revenue Act of 1943. Accordingly, these taxes, such as the taxes on liquor, jewelry, cosmetics, furs, etc., will not terminate until six months after the Congress or the President determines the end of hostilities. The House had proposed to repeal these taxes on June 30, 1946.

#### Motor Vehicle and Boat Use Tax

These taxes on the use of motor vehicles and boats are repealed as of June 30, 1946.

#### Social Security Taxes

The final bill freezes for the calendar year 1946 the Social Security taxes at the present rate of 1 per cent. If this freeze had not been passed, the tax rate would have increased to 2½ per cent. Under this provision, the increase is postponed until 1947, unless the Congress again freezes the rate.

#### Serious Snap Bean Diseases

From the standpoint of losses over a period of years, there is evidence that anthracnose and blight are the most important diseases of snap beans in the United States, the California Agricul-

tural Experiment Station points out in its new bulletin (No. 689), "Snap Bean Seed Free From Blight and Anthracnose." These diseases are seed-borne, the causal organisms being carried abundantly in seed harvested from infected fields. Even where very small amounts of either of these diseases are present, a disastrous loss may result when the seed from such a field is planted under certain climatic conditions, the bulletin reports.

Since these diseases are wet-weather troubles, seed grown in the West is more likely to be free of infection than seed from the East or Midwest. Summer rains are sufficient, however, in certain western States to permit the development and spread of blight in some seasons, although most western seed may be free of anthracnose.

Anthracnose and blight do not occur in bean-seed crops grown in California during the dry, almost rain-free summers. Weather records show that during the bean-growing season California has far less rainfall (an average total of about  $\frac{1}{2}$  inch) than any of the other bean-growing States (averages of 3 to 13 inches) and that the lack of summer rainfall in this State is consistent from season to season despite great variability in the amounts of annual rainfall.

The bulletin contains a map showing the location and limits of the disease-free areas in California suited to the production of snap bean seed. These areas appear adequate to meet all demands in this country for anthracnose-free and blight-free snap bean seed. Records of the success of California-grown field and snap bean seed in eliminating losses in eastern and southern States from anthracnose and blight are cited for New York, Michigan, and Louisiana in the bulletin.

#### Delwiche Commando Pea

The Wisconsin Agricultural Experiment Station has released a new variety of canning pea named Delwiche Commando. The variety was bred and developed for resistance to near-wilt from a cross involving Pride and two pure line selections from Admiral.

It is classed as a sweet mid-season variety with definitely wrinkled seed. It is double podded and has approximately the same season, but is a day or two earlier than Wisconsin Perfection. Sieve sizes and vine heights are approximately those of Wisconsin Perfection, and pods are similar in shape, but slightly smaller.

Based on performance to date, the Delwiche Commando pea has been virtually 100 percent resistant to both common pea wilt and near-wilt.

## PRESIDENT TRUMAN ANNOUNCES NEW WAGE-PRICE POLICY

### Order Not Likely to Help Many Canners in Increasing Workers' Wages

The new wage-price policy laid down by President Truman last Tuesday night, does not clearly define the effect it might have on the canning industry at the present time. After a careful analysis of the President's new order (Executive Order 9651 amending Executive Order 9590, which has been in effect since August 18) and a statement issued Thursday by Price Administrator Chester Bowles pertaining to the order, it appears that the canning industry is in about the same position with regard to wage increases now as it was before the order was issued.

While the President's order does not restrict the amount of a wage increase that a canner may make, it does classify the type of wage increases which, at the discretion of the Stabilization Administrator, may be covered by increases in the canner's ceiling prices. The order specifies that an increase in ceiling prices may be approved by the Stabilization Administrator only in such instances where wages were increased for the following reasons: (1) Where average straight-time hourly earnings have not kept pace with the increase in the cost of living since January, 1941; (2) to correct certain inequities among plants in the same industry or locality; (3) to insure recruitment of manpower necessary to full production in industries essential to reconversion.

Mr. Bowles in his statement further explains these conditions: "In all but a handful of industries, the increase in average straight-time hourly earnings is at least equal to the rise in the cost of living index since 1941. In the other two situations, wage increases are permitted under standards very similar to those set by the War Labor Board during the period since the Hold-the-Line Order was issued. Consequently, the price increases which may occur (under the new wage-price policy) will be negligible."

The order further authorizes the Price Administrator to adjust ceiling prices for wage increases that have not been approved in accordance with the order if it can be shown by a reasonable test period that the employer cannot absorb the increases.

### ICC Suspends Rate Increases

The six percent rate increase granted the railroads in 1942 has again been suspended by the Interstate Commerce Commission, this time until six months after the legal termination of the war.

### CONGRESS SUMMARY

The principal activity of Congress this week was the acceptance and passage by both the House and the Senate of the conferees report on the tax reduction bill. A detailed summary of this measure appears on pages 8828-29. Other legislation of interest to canners is summarized below.

Senator Milton R. Young of North Dakota has introduced a bill (S. 1527) to extend the present farm price guarantees to five years after the formal termination of the war instead of the present two-year period now authorized.

The House Appropriations Committee reported favorably on Tuesday a bill to provide an additional \$550,000,000 for the United Nations Relief and Rehabilitation Administration. Action was taken on the bill after the Republican Congressional Food Study Committee had recommended last week that the appropriation be approved promptly. The House Appropriations Committee added several legislative reservations to its approval of the proposed measure. The House opened debate on the measure Wednesday.

The House by a vote of 114 to 167 on Monday rejected the conference report on H. R. 694, a bill calling for the repeal of land grant rail rates effective October 1, 1946. The measure was sent back to conference with the Senate.

C. W. Kitchen, Assistant Administrator of the Department of Agriculture's Production and Marketing Administration, told the House Judiciary Subcommittee this week that rationing and other food controls are needed in order to make equitable allocations both at home and abroad for food which is

still in short supply. Kitchen said that sugar, meat, and fats and oils will have to continue under control for some time.

Representative Wright Patman of Texas, chairman of the House Small Business Committee, announced this week that his committee was planning to make a report within the next few weeks on "alleged tax exemption of co-ops and the resultant effect on other types of business."

The Senate subcommittee on Agriculture on Tuesday heard testimony of Senators Eastland of Mississippi, Young of North Dakota, Capper of Kansas and others, in endorsement of S. 381, the full parity export bill.

### Labor for Picking Cane Fruits

The results of studies made of the man labor requirements for picking cane fruits in parts of the Willamette Valley are contained in a report (Bulletin 422) published by the Oregon Agricultural Experiment Station at Corvallis. The Station estimates that man labor requirements per average acre per year for picking only are as follows: Red raspberries, 382.6 hours with 70.5 pounds per picker per 8-hour day; black raspberries, 232.8 hours with 97.7 pounds per picker per 8-hour day; tomatoes, 136.3 hours with 1,528 pounds per picker per 8-hour day.

### Juice Grape Ceilings Increased

Ceiling prices for California juice grapes shipped fresh have been increased nine-tenths of a cent per pound for the remainder of the 1945 crop, the Office of Price Administration announced this week. The new ceiling price for these grapes, f.o.b. Bakersfield, Calif., the basing point, will be 6.5 cents a pound.

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